

# ENVIRONMENT

## Goal: Enhance the Quality of Michigan's Natural Environment

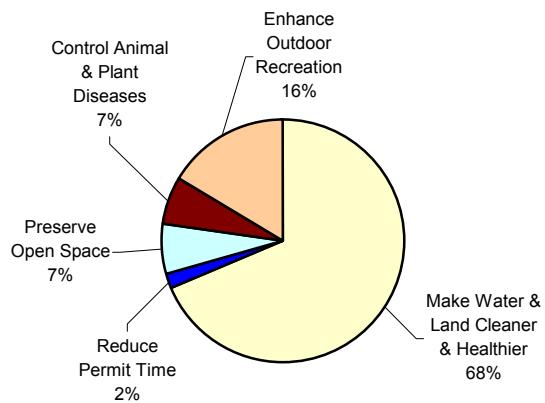
Governor Granholm is committed to the conservation, protection, management, use, and enjoyment of the state's natural resources for current and future generations. Michigan has 11,000 inland lakes, 36,000 miles of rivers and streams, and 3,000 miles of freshwater shoreline. Numerous park and recreation areas enable Michigan's citizens and visitors to enjoy outdoor recreation in a fun and safe environment on public lands and waters while benefiting the state economy. Michigan lands also yield several agricultural products which rank #1 nationally in the state's second largest industry – agriculture production.

Efforts to enhance the quality of Michigan's natural environment encompass 195 activities in 6 departments. The Governor's proposed budget for fiscal year 2006 recommends total environmental funding of \$680 million, of which \$60.6 million is general fund.

### Make Michigan's Natural Resources Cleaner and Safer

Protecting and enhancing the water quality of Michigan's lakes, rivers and streams is accomplished through a variety of activities performed by the Department of Environmental Quality including controlling aquatic nuisance species; establishing water quality standards; assessing water quality; and issuing permits to regulate the discharge of industrial and municipal wastewaters. With the implementation of the National Pollutant Discharge Elimination System Permit fee (NPDES) now in its second year, Michigan is positioned to cover costs associated with regulating commercial, municipal and industrial facilities that discharge wastewater to Michigan's surface waters. The 2006 budget provides \$45.7 million gross, \$8.3 million general fund, to support Michigan's surface water quality protection efforts,

### **Environment Spending Plan**



**Total: \$680 Million**

### **Strategies to Achieve Goal**

- Make the Great Lakes and Michigan's natural resources cleaner, safer and healthier.
- Protect and preserve more open space, farmland, forestland, and public land.
- Prevent, control or eradicate plant and animal diseases and pests that threaten our health, environment and economy.
- In order to foster both environmental performance and economic growth, reduce the time it takes to issue environmental permits.
- Enhance outdoor recreation and increase use of state facilities, parks and state sponsored recreation.

including \$10.5 million in support for NPDES. A fee increase is proposed to cover on-going costs of issuing permits for development near inland lakes, streams and wetlands, resulting in a savings to the general fund of \$2 million.

Low-interest loans are provided annually to local units of government for wastewater and drinking water infrastructure improvement projects. Approximately \$90 million of federal grant resources are utilized to support the State Revolving Fund and Drinking Revolving Fund programs. The fiscal year 2006 Executive Recommendation provides \$6.9 million in general fund support to fully match all available federal dollars.

 <b>Spending Priorities</b>
<ul style="list-style-type: none"><li>▪ <b>Eradication of Emerald Ash Borer</b> <i>\$27.7 million total; \$0 state general fund</i></li><li>▪ <b>Animal Disease Surveillance and Control Activities</b> <i>\$11.5 million total; \$5.8 million state general fund</i></li><li>▪ <b>Aquatic Resource Management</b> <i>\$27.1 million total; \$0 state general fund</i></li><li>▪ <b>Operation of 97 State Parks</b> <i>\$41.3 million total; \$0 state general fund</i></li><li>▪ <b>National Pollutant Discharge Elimination System</b> <i>\$10.5 million total; \$2.2 million state general fund</i></li><li>▪ <b>Waste Management Programs</b> <i>\$18.9 million total; \$1.3 million state general fund</i></li><li>▪ <b>State Cleanup Program</b> <i>\$41.0 million total; \$0 state general fund</i></li></ul>

To protect public health and support redevelopment, funding of \$41 million is maintained for cleanup activities at contaminated sites. No new cleanup and redevelopment sites are recommended, allowing the department to focus on finishing cleanup projects initiated in prior years.

As part of the Governor's Jobs Initiative and in an effort to revitalize core communities, the fiscal year 2006 budget targets \$10 million in previously approved Clean Michigan Initiative (CMI) bonds for environmental clean-ups and brownfield redevelopment grants and loans to local communities. In addition, the Governor recommends \$80 million in Refined Petroleum Fund revenues in fiscal year 2005, and \$22 million in fiscal year 2006, to support leaking underground storage tank cleanup projects.

### Reduce Permit Processing Time

Reducing the time it takes to obtain a permit for a variety of residential, municipal, or commercial activities impacting shorelines, surface waters and other natural habitats, has been a priority for the Governor since she was elected. The Michigan Timely Application & Permit Service (MiTAPS) has successfully reduced the time to issue permits, without jeopardizing the environment. MiTAPS is a state of the art electronic, online permit processing system. With MiTAPS,

businesses, municipalities, and residential builders can apply online 24 hours a day, 7 days a week. Since late September 2004, roughly 354 industrial storm water permit applications have been received via MiTAPS with an average processing time of less than 52 days.

*"To receive a permit in 22 days is a record in our book."*

Steven Tomaszewski, Manager of Air Quality for General Motors, Michigan Information and Research Service (MIRS), February 3, 2005

In addition, the Department of Environmental Quality has recently worked in a collaborative fashion with Michigan's big three automobile manufacturers to re-design the state's air permitting process. A "Value Stream Mapping" process was used, yielding a 21-day start-to-finish air-permitting process, a notable improvement over

the previous processing time of more than six months. Barriers to economic growth in Michigan are removed as a result of implementing this seamless and timely process.

### **Protect and Preserve Unique Lands**

On average, Michigan develops its land eight times faster than its population grows. In an effort to preserve the state's critical farmland and unique open spaces, a variety of initiatives are offered through the Farmland and Open Space Preservation program. Utilizing a temporary easement mechanism, farmland owners voluntarily agree to restrictions on development of their lands in return for tax credits. The state also purchases development rights on unique lands to preserve precious green spaces for future generations. The 2006 budget includes \$902,500 gross, \$0 general fund for operation of the Farmland and Open Space Preservation program, as well as \$7.5 million for the purchase of farmland development rights.

The protection of precious land parcels integral to the state's ecosystem including wetlands, deer and turkey habitats, and forestlands is made possible through acquisitions and conservation easements utilizing the Michigan Natural Resources Trust Fund and other dedicated revenue sources. Land acquisitions in 2004 added over 2,100 acres for public use and conservation purposes. Working in partnership with nature conservancies and local units of governments to implement conservation easements, an additional 248,000 acres of unique Michigan lands and habitats were set aside for public use in 2004. The Governor's fiscal year 2006 recommendation includes \$5.5 million gross, \$0 general fund for land purchases and habitat improvements.

Michigan is responsible for managing over 4 million acres of forests – the largest state forest system in the nation – and providing fire protection for over 20 million acres of forest and wild lands. In an effort to ensure that forests are further protected through use of environmentally responsible forestry practices, the state recently implemented an aggressive certification effort for its forests, which will significantly aid in the management of state forestlands. The fiscal year 2006 Executive Recommendation provides \$33.4 million gross; \$5.8 million general fund to support resource management and forest fire protection efforts within the Department of Natural Resources.

### **Animal Disease Eradication and Pest Control**

Eradicating infectious diseases from our livestock and wildlife populations continues to be a priority of the Governor. Funding is maintained at \$7.7 million to continue bovine tuberculosis (TB) monitoring and testing of cattle herds and white-tailed deer. Michigan recently attained a split-state bovine TB designation from the U.S. Department of Agriculture enabling livestock producers to market their product in other states – an economic success story.



#### **New Initiative**

- **Clean-up Leaking Underground Storage Tanks**  
\$80 million; \$0 state general fund (FY2005)  
\$22 million; \$0 state general fund (FY 2006)



#### **Spending Reductions**

- **Office of Racing Commissioner**  
\$500,000 total; \$0 state general fund
- **Hunting and Fishing Enforcement**  
\$1.0 million total; \$1.0 million state general fund
- **Horse Race Program Enhancements**  
\$6.1 million total; \$0 state general fund

The emergence of chronic wasting disease in livestock and wild cervid populations across the country has not gone unnoticed by the Governor. The 2006 budget proposes a new fee for private-captive cervid facilities to cover the costs of regulatory programs in both the departments of Natural Resources and Agriculture. The proposed fee revenue will support facility registration and inspection activities, as well as animal health monitoring activities. A corresponding savings to the general fund of \$269,100 will occur.

### **Expenses Eliminated**

- **Horse Race Building and Track Improvements**  
\$963,200 total; \$0 state general fund
- **Migrant Labor Housing Grants**  
\$255,000 total; \$255,000 state general

Efforts to eradicate the Emerald Ash Borer – an exotic beetle that destroys ash trees – continue with \$23.6 million in the fiscal year 2006 budget. Michigan has over 700 million ash trees, which are at risk for infestation. In addition, the Governor's budget maintains \$4 million in support for tree restoration activities, in an effort to preserve this precious resource and its contribution to the state's ecosystem for generations to come.

### Enhance Outdoor Recreation

Over 30 million visitors participate in state forest recreation programs each year. These programs include snowmobile and cross-country ski activities, campgrounds, water access sites, and trails and pathways for off-road vehicles. In addition, the state maintains a park system consisting of 97 parks comprised of over 284,000 acres. The fiscal year 2006 Executive Recommendation preserves the level of support for managing the state's various recreational programs and park system at \$74.5 million gross; \$560,400 general fund.

### **Indicators of Success**

- Improved trends in fish and wildlife populations
- Increase in acres of farm, forest and public land protected from development
- Reduction in plant and animal diseases
- Increased use of Michigan's state parks and forests
- Improved trends in air and water quality
- Faster issuance of environmental permits without compromising standards